

SADDLERY BRANDS INTERNATIONAL UK LTD

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

SADDLERY BRANDS INTERNATIONAL UK LTD
REGISTERED NUMBER: 10344846

BALANCE SHEET
AS AT 30 JUNE 2021

| | Note | 2021 £ | 2020 £ |
|---|------|------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 130,752 | 140,612 |
| | | <u>130,752</u> | <u>140,612</u> |
| Current assets | | | |
| Stocks | | 461,797 | 566,418 |
| Debtors: amounts falling due within one year | 5 | 1,109,211 | 643,355 |
| Cash at bank and in hand | | 867,000 | 242,459 |
| | | <u>2,438,008</u> | <u>1,452,232</u> |
| Creditors: amounts falling due within one year | 6 | (435,036) | 65,865 |
| Net current assets | | <u>2,002,972</u> | <u>1,518,097</u> |
| Total assets less current liabilities | | <u>2,133,724</u> | <u>1,658,709</u> |
| Creditors: amounts falling due after more than one year | 7 | (3,084,147) | (3,528,268) |
| Net liabilities | | <u>(950,423)</u> | <u>(1,869,559)</u> |
| Capital and reserves | | | |
| Called up share capital | | 1 | 1 |
| Profit and loss account | | (950,424) | (1,869,560) |
| | | <u>(950,423)</u> | <u>(1,869,559)</u> |

SADDLERY BRANDS INTERNATIONAL UK LTD
REGISTERED NUMBER: 10344846

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2021

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 June 2022.

E Bates
Director

The notes on pages 3 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. General information

Saddlery Brands International UK Ltd is a private company limited by share capital, incorporated in England and Wales, registered number 10344846. The address of the registered office is 31 Horse Fair, Banbury, OX16 0AE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have reviewed the company's projections and cashflows and based on this information consider the company to be a going concern and expect the company to still be trading 12 months after approving these financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 July 2019 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.9 Pensions

Defined contribution pension plan

The Company contributes into a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|------------------------------|---|-----|
| Long-term leasehold property | - | 20% |
| Plant and machinery | - | 20% |
| Motor vehicles | - | 20% |
| Fixtures and fittings | - | 20% |
| Office equipment | - | 20% |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

2. Accounting policies (continued)

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2020 - 6).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

4. Tangible fixed assets

| | Long-term leasehold property £ | Plant and machinery £ | Motor vehicles £ | Fixtures and fittings £ | Office equipment £ |
|--|---|-----------------------------|---------------------|-------------------------------|--------------------------|
| Cost or valuation | | | | | |
| At 1 July 2020 | 17,574 | 22,044 | 61,400 | 94,987 | 26,395 |
| Additions | - | 789 | 16,792 | - | 10,645 |
| At 30 June 2021 | 17,574 | 22,833 | 78,192 | 94,987 | 37,040 |
| Depreciation | | | | | |
| At 1 July 2020 | 4,697 | 5,284 | 27,301 | 33,616 | 10,890 |
| Charge for the year on owned assets | 2,575 | 3,409 | 14,892 | 13,157 | 4,053 |
| At 30 June 2021 | 7,272 | 8,693 | 42,193 | 46,773 | 14,943 |
| Net book value | | | | | |
| At 30 June 2021 | 10,302 | 14,140 | 35,999 | 48,214 | 22,097 |
| | | | | | Total £ |
| Cost or valuation | | | | | |
| At 1 July 2020 | | | | | 222,400 |
| Additions | | | | | 28,226 |
| At 30 June 2021 | | | | | 250,626 |
| Depreciation | | | | | |
| At 1 July 2020 | | | | | 81,788 |
| Charge for the year on owned assets | | | | | 38,086 |
| At 30 June 2021 | | | | | 119,874 |
| Net book value | | | | | |
| At 30 June 2021 | | | | | 130,752 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

5. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|------------------|----------------|
| Trade debtors | 681,838 | 501,157 |
| Other debtors | 269,500 | 2 |
| Prepayments and accrued income | 157,873 | 142,196 |
| | <u>1,109,211</u> | <u>643,355</u> |

6. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|----------------|-----------------|
| Trade creditors | 21,151 | (95,667) |
| Other taxation and social security | 96,502 | 2,331 |
| Other creditors | - | 1,388 |
| Accruals and deferred income | 317,383 | 26,083 |
| | <u>435,036</u> | <u>(65,865)</u> |

7. Creditors: Amounts falling due after more than one year

| | 2021 £ | 2020 £ |
|------------------------------------|------------------|------------------|
| Amounts owed to group undertakings | 3,084,147 | 3,528,268 |
| | <u>3,084,147</u> | <u>3,528,268</u> |

8. Pension commitments

The Company contributes into a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund.

9. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 102 Section 33.1A "Related Party Disclosures" not to disclose transactions with other member of the group on the grounds that 100% of the voting rights are controlled within the group.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

10. Controlling party

The ultimate controlling party is Hammersmith Nominee Pty Ltd, a company incorporated in Australia owning 100% of the share capital of the company. The registered office is in West Perth WA 6005, Australia.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.